FILED
October 22, 2024
Data Center
Missouri Public
Service Commission

Exhibit No. 247

Exhibit No.:

Issue(s): Special incremental load

Witness: Justin Tevie MoPSC Staff

Sponsoring Party: Type of Exhibit: Corrected Rebuttal Testimony

Case No.: ER-2024-0189

Date Testimony Prepared: August 6, 2024

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

TARIFF AND RATE DESIGN DEPARTMENT

CORRECTED REBUTTAL TESTIMONY

OF

JUSTIN TEVIE

EVERGY MISSOURI WEST, INC., d/b/a Evergy Missouri West

CASE NO. ER-2024-0189

Jefferson City, Missouri August 6, 2024

1		CORRECTED REBUTTAL TESTIMONY	
2		OF	
3		JUSTIN TEVIE	
4 5		EVERGY MISSOURI WEST, INC., d/b/a Evergy Missouri West	
6		CASE NO. ER-2024-0189	
7	Q.	Please state your name and business address.	
8	A.	Justin Tevie, 200 Madison Street, Jefferson City, MO 65102.	
9	Q.	Are you the same Justin Tevie who provided direct testimony in this case?	
10	A.	Yes.	
11	Q.	What is the purpose of your rebuttal testimony?	
12	A.	My rebuttal testimony provides updated results to Staff's Exhibit 1 ¹ based upon:	
13	(1) the terms of the non-unanimous Stipulation and Agreement ("Stipulation") between Evergy		
14	Missouri West ("EMW") (formerly KCP&L Greater Missouri Operations Company).		
15	Commission Staff ("Staff"), and Nucor Steel Sedalia, LLC ("Nucor") ² , and (2) Article 7 of the		
16	power purchase agreement ("Agreement") between Cimarron Bend Wind Project III, LLC and		
17	Evergy, Inc. ³		
18	REVENUE REQUIREMENT ADJUSTMENT FOR SCHEDULE SIL		
19	Q.	Has Staff's recommendation for the value of the revenue requirement	
20	adjustment	associated with service under Schedule SIL changed since the filing of	
21	direct testimony?		
	ii		

¹ Attached as Schedule JT-r1.

² Non-Unanimous Stipulation and Agreement filed on September 19, 2019 in Case No. EO-2019-0244 and approved by the Missouri Public Service Commission on November 13, 2019.

³ The Agreement was submitted as part of Data Request No. 0065 in this general rate case.

Yes. Staff updated the NUCOR adjustment based on the Agreement between 1 A. 2 Cimarron Bend III and Evergy, Inc. The updates are attached to this testimony as 3 Schedule JT-r1. 4 Q. What is the Agreement? 5 A. 6 7 8 9 10 11 Q. What is Schedule SIL? Schedule SIL⁴ is the Special Rate for Incremental Load Service, which is the 12 A. applicable rate for Nucor⁵ service. Nucor is currently the sole EMW customer served under 13 14 Schedule SIL. 15 Q. Why is an adjustment to EMW's revenue requirement related to Schedule SIL service necessary in this case? 16 In Staff's direct filing an incorrect settlement node was used for the 17 A. 18 Cimarron Bend III wind farm. Staff's work papers for EMW have been updated to use the 19 ** for calculating revenue from the Cimarron Bend III wind farm. In 20 addition, as discussed more thoroughly in my direct testimony in this case, the incremental cost 21 to serve Nucor exceeds the EMW revenues from Nucor service for the 12-month period ending

⁴ Schedule SIL - P.S.C. MO. No. 1 Original Sheet Nos. 157, 157.1, 157.2, and 157.3.

⁵ My direct testimony in this case provides some background of Schedule SIL as well as Nucor.

December 31, 2023. Schedule SIL and the Stipulation from Case No. EO-2019-0244 include 1 2 provisions that non-Schedule SIL customers will be held harmless from the service under 3 Schedule SIL. How does this correction affect Staff's revenue calculations? 4 Q. 5 A. Incorporating the correct LMP stipulated by the Agreement decreased the total cost by approximately 51% or ** Hence, the amount of under recovery 6 .** The amount of under recovery is the net of 7 decreased to approximately ** 8 revenues and costs during the period under review. 9 Q. Does the error detected in light of the Agreement call into question the overall 10 results of the analysis that Staff performed for Nucor? 11 A. No. The error that Staff identified reflects a good-faith effort made by Staff to calculate the total revenue from the wind Purchase Power Agreement. Changing to the 12 13 correct input LMP did affect the amount of under-recovery, but the overall analysis itself was 14 done correctly. 15 Q. Has the correction that Staff has made to the cost of serving Nucor been applied to the revenue requirement? 16 17 A. Yes What other adjustments did Staff make to the revenue requirement? 18 Q. 19 A. Staff calculated the cost of Nucor exceeding its peak load forecast of 20 .** Staff also made changes to the event balancing cost, to include the months of November and December of 2023, 21

⁶ The 12-months ending December 31, 2023 coincides with the update period utilized by Staff in this case.

A.

Yes it does.

1 to reflect SPP balancing charges bringing the total amount to approximately ** 2 These adjustments were then used to calculate the amount of under recovery determined above. Q. In light of Nucor exceeding its peak load forecast, what should be the new 3 capacity requirement for Nucor? 4 5 Including the SPP planned reserve margin of 15%, the new capacity requirement A. should be approximately ** 6 Does this conclude your rebuttal testimony? 7 Q. 8

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Evergy Missouri West, Inc. d/b/a Evergy Missouri West's Request for Authority to Implement A General Rate Increase for Electric Service) Case No. ER-2024-0189)			
AFFIDAVIT OF JUSTIN TEVIE				
STATE OF MISSOURI)) ss.				
COUNTY OF COLE)				
COMES NOW JUSTIN TEVIE and on his oath declares that he is of sound mind and lawful				
age; that he contributed to the foregoing Corrected Rebuttal Testimony of Justin Tevie; and that				
the same is true and correct according to his best knowledge and belief.				
Further the Affiant sayeth not.	STIN TEVIE			
JURAT				
Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for				
the County of Cole, State of Missouri, at my office in Jefferson City, on this 15th day				
of August 2024.				
DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2027 Commission Number: 15207377	Diania L. Vaugut tary Public			

Case No. ER-2024-0189

SCHEDULE JT-r1

HAS BEEN DEEMED

CONFIDENTIAL

IN ITS ENTIRETY